

AMENDED IN SENATE MARCH 24, 2010

AMENDED IN ASSEMBLY MAY 28, 2009

AMENDED IN ASSEMBLY MAY 6, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 761**

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**Introduced by Assembly Member Charles Calderon**

February 26, 2009

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An act to add Section 798.47 to the Civil Code, relating to mobilehomes.

### LEGISLATIVE COUNSEL'S DIGEST

AB 761, as amended, Charles Calderon. Mobilehomes: rent control.

The Mobilehome Residency Law generally regulates the terms and conditions of mobilehome tenancies in mobilehome parks. Existing law permits rent control in mobilehome parks. Existing law exempts certain rental agreements relating to mobilehomes from any local measure establishing the maximum amount that a landlord may charge a tenant for rent.

This bill would provide, ~~in addition,~~ that, upon the sale, assignment, transfer, or termination of an interest in a mobilehome or a mobilehome tenancy in a mobilehome park, the management of the park may offer a new rental agreement containing an initial rent that is ~~the lesser of an amount~~ in excess of the maximum rent established by a local measure by ~~specified percentages, which would increase, beginning January 1, 2011, up to 100% of the last charged rent, or market levels, as specified.~~ ~~The bill would except certain mobilehome parks from its provisions, including those that have common facilities that have been cited as health and safety risks that remain unabated for 6 months or longer.~~

~~The bill would provide that, after an increase in initial rent, the rent should be governed by the local measure a minimum of 20% or \$100, whichever is greater, as specified. The bill would permit not more than one increase within a 36-month period, as specified. The bill would specify that it does not apply to rental rate adjustments provided under a local rent control ordinance that are in excess of what the bill's provisions would permit, or that are not subject to a local rent control ordinance and does not apply under other specified circumstances.~~

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 798.47 is added to the Civil Code, to read:  
2     798.47. (a) Notwithstanding any contrary provision of law,  
3     and except as provided in subdivisions (b) and (c), upon the sale,  
4     assignment, transfer, or termination of an interest in a mobilehome  
5     or a mobilehome tenancy in a mobilehome park, the management  
6     of the park may offer a new rental agreement containing an initial  
7     rent in excess of the maximum rent established by an ordinance,  
8     rule, regulation, or initiative measure adopted by a city, county,  
9     or city and county, by a minimum of 20 percent or one hundred  
10    dollars (\$100), whichever is greater. The increase will be added  
11    to the base rent and shall be the base rent for purposes of  
12    applicable provisions of law concerning rent regulation.  
13    (b) No increase in the rent that may be charged pursuant to  
14    subdivision (a) shall be permitted within 36 months of the last  
15    increase pursuant to subdivision (a).  
16    (c) No rent increase upon a sale or transfer described in  
17    subdivision (a) shall be permitted if the sale or transfer is either  
18    to a trust, provided that all members of the trust are existing  
19    homeowners, or to a member of a homeowner's immediate family,  
20    as defined in Section 798.35, and the mobilehome becomes the  
21    principal place of residence for the immediate family member.  
22    (d) This section does not apply if any of the following  
23    circumstances exist:  
24    (1) An assignment of a rental agreement has been entered into  
25    pursuant to Section 798.17.  
26    (2) The circumstances in which the exemptions described in  
27    Section 798.21 or 798.45 apply.

1     (3) *The circumstances described in Section 66427.5 of the*  
2 *Government Code apply.*

3     (4) *The sale, assignment, transfer, or termination of an interest*  
4 *in a mobilehome or a mobilehome tenancy in a mobilehome park*  
5 *is not subject to an ordinance, rule, regulation, or initiative*  
6 *measure adopted by any local governmental entity that establishes*  
7 *a maximum amount that a landlord may charge a tenant for rent.*

8     (5) *Any applicable ordinance, rule, regulation, or initiative*  
9 *measure adopted by any local governmental entity that establishes*  
10 *a maximum amount that a landlord may charge a tenant for rent*  
11 *authorizes a greater increase than that provided in subdivision*  
12 *(a).*

13     ~~SECTION 1. Section 798.47 is added to the Civil Code, to~~  
14 ~~read:~~

15     ~~798.47. (a) Notwithstanding any contrary provision of law,~~  
16 ~~upon the sale, assignment, transfer, or termination of an interest~~  
17 ~~in a mobilehome or a mobilehome tenancy in a mobilehome park,~~  
18 ~~the management of the park may offer a new rental agreement~~  
19 ~~containing an initial rent in excess of the maximum rent established~~  
20 ~~by an ordinance, rule, regulation, or initiative measure adopted by~~  
21 ~~a city, county, or city and county as specified in subdivision (e).~~

22     ~~(b) This section shall not apply to either of the following:~~

23     ~~(1) A change in ownership or tenancy due to the death of a~~  
24 ~~mobilehome owner or tenant when the spouse of the deceased~~  
25 ~~homeowner or tenant becomes the sole owner or tenant.~~

26     ~~(2) An assignment of any existing lease that specifies the amount~~  
27 ~~of rent applicable to the assignee upon a transfer of the interest in~~  
28 ~~the mobilehome.~~

29     ~~(3) A park that contains common facilities or improvements~~  
30 ~~that constitute an unreasonable risk to life, health, or safety for~~  
31 ~~which a citation has been issued by the appropriate governmental~~  
32 ~~agency that remains unabated for six months or longer preceding~~  
33 ~~the vacancy.~~

34     ~~(e) Notwithstanding any ordinance, rule, regulation, or initiative~~  
35 ~~measure adopted by a city, county, or city and county which~~  
36 ~~establishes a maximum amount that may be charged for rent,~~  
37 ~~beginning January 1, 2011, a mobilehome park owner may~~  
38 ~~establish the initial rental rates for a mobilehome tenancy in~~  
39 ~~accordance with the lesser of either of the following:~~

1     ~~(1) Market levels, as defined in an appraisal conducted in~~  
2     ~~accordance with nationally recognized professional appraisal~~  
3     ~~standards.~~

4     ~~(2) The amount specified in subparagraphs (A) to (G), inclusive:~~

5     ~~(A) Beginning January 1, 2011, the initial rental rate may be~~  
6     ~~increased by up to 14.285 percent of the last-charged rent.~~

7     ~~(B) Beginning January 1, 2012, the initial rental rate may be~~  
8     ~~increased by up to 28.57 percent of the last-charged rent.~~

9     ~~(C) Beginning January 1, 2013, the initial rental rate may be~~  
10    ~~increased by up to 42.85 percent of the last-charged rent.~~

11    ~~(D) Beginning January 1, 2014, the initial rental rate may be~~  
12    ~~increased by up to 57.14 percent of the last-charged rent.~~

13    ~~(E) Beginning January 1, 2015, the initial rental rate may be~~  
14    ~~increased by up to 71.425 percent of the last-charged rent.~~

15    ~~(F) Beginning January 1, 2016, the initial rental rate may be~~  
16    ~~increased by up to 85.71 percent of the last-charged rent.~~

17    ~~(G) Beginning January 1, 2017, and thereafter, the initial rental~~  
18    ~~rate may be increased by up to 100 percent of the last-charged~~  
19    ~~rent.~~

20    ~~(d) No rent adjustment as provided in subdivision (c) shall~~  
21    ~~exceed market levels, as defined in an appraisal conducted in~~  
22    ~~accordance with nationally recognized professional appraisal~~  
23    ~~standards.~~

24    ~~(e) After an increase in the initial rental rate as permitted in~~  
25    ~~subdivision (c), rent shall be subject to any ordinance, rule,~~  
26    ~~regulation, or initiative measure adopted by any local governmental~~  
27    ~~entity which establishes a maximum amount that a landlord may~~  
28    ~~charge a tenant for rent for the term of that tenancy.~~

29    ~~(f) The restrictions of this section do not apply to an assignment~~  
30    ~~of a rental agreement entered into pursuant to Section 798.17,~~  
31    ~~798.21, or 798.45, or Section 66427.5 of the Government Code,~~  
32    ~~or the sale or other transfer of a mobilehome in a mobilehome park~~  
33    ~~which is not subject to, or which is subject to adjustments greater~~  
34    ~~than those provided in subdivision (c) by, an ordinance, rule,~~  
35    ~~regulation, or initiative measure adopted by any local governmental~~  
36    ~~entity that establishes a maximum amount which a landlord may~~  
37    ~~charge a tenant for rent.~~